

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 106680

12

ORIGIN EB-11

INFO OCT-01 ARA-16 ISO-00 AGR-20 COME-00 TRSE-00 OMB-01

AID-20 DRC-01 RSC-01 /071 R

DRAFTED BY EB/OF/FPD:RSIMPSON-ARA/EP/E:KGUTHRIE

APPROVED BY ARA/EP:SMPRINGLE

FAS/USDA:RSPENCER

----- 118765

R 220014Z MAY 74

FM SECSTATE WASHDC

TO AMEMBASSY QUITO

LIMITED OFFICIAL USE STATE 106680

E.O.11652: N/A

TAGS: ETRD, EAGR, EC, US

SUBJ: POSSIBLE ECUADOREAN INQUIRY ABOUT CCC CREDIT

REF: A. QUITO 3177 B. STATE 97737

1. WHILE TITLE I PL-480 SALES ARE CONSIDERED A FORM OF ECONOMIC ASSISTANCE, PRIMARY OBJECTIVE OF CCC CREDIT PROGRAM IS DEVELOPMENT AND RETENTION OF FOREIGN MARKETS FOR U.S. AGRICULTURAL COMMODITIES. WE WOULD THEREFORE NOT WISH TO OVEREMPHASIZE BUDGETARY AND BALANCE-OF-PAYMENTS FACTORS IN RESPONDING TO POSSIBLE ECUADOREAN INQUIRY RE CCC CREDITS. BUDGETARY AND BALANCE-OF-PAYMENTS FACTORS ARE, OF COURSE, RELEVANT TO THE DETERMINATION OF WHETHER, IN A GIVEN INSTANCE, CCC CREDIT IS REQUIRED TO DEVELOP OR RETAIN U.S. MARKET POSITION, BUT OTHER FACTORS ARE ALSO RELEVANT (E.G., WORLD COMMODITY SUPPLY/PRICE SITUATION, COMPETITION FROM OTHER EXPORTING COUNTRIES, SIZE OF POTENTIAL MARKET, HISTORY AND TRADING RELATIONSHIP, ETC.) ACCORDINGLY, EMBASSY MAY RESPOND TO GOE GIVING PRIMARY EMPHASIS TO GUIDANCE PROVIDED IN REF (B), BUT AT SAME TIME ACKNOWLEDGING BUDGETARY FACTOR AS ADDITIONAL IMPORTANT CONSIDERATION.

2. RE "APPROVED REQUESTS FOR CCC FINANCING" TOTALING
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 106680

DOLS. 16.6 MILLION AND DOLS. 17.8 MILLION IN FISCAL YEARS

1973 AND 1972, IT IS NORMAL FOR CCC TO APPROVE EXPORTER APPLICATIONS SUBSTANTIALLY IN EXCESS OF THE VALUE OF LINE OF CREDIT. THIS IS TO PROVIDE ALL EXPORTERS EQUAL

OPPORTUNITY TO COMPETE FOR BUSINESS. IT DOES NOT IMPLY POSSIBILITY OF UTILIZING CREDITS IN EXCESS OF ESTABLISHED LINE OF CREDIT. USDA RECORDS SHOW THAT CCC LINES OF CREDIT TOTALLING DOLS. 13 MILLION HAVE BEEN ESTABLISHED FOR ECUADOR SINCE 1968, BUT THAT ONLY 3.1 MILLION WAS UTILIZED. IN CONTRAST, PERU HAS MADE USE OF VIRTUALLY ALL OF THE CCC CREDIT LINES ESTABLISHED FOR THAT COUNTRY AND HAS IMPORTED DOLS. 114 MILLION OF U.S. AGRICULTURAL COMMODITIES UNDER CCC FINANCING. RUSH

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT AUTHORIZATIONS, PL 480 TITLE 1, FOREIGN POLICY POSITION
Control Number: n/a
Copy: SINGLE
Draft Date: 22 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE106680
Document Source: CORE
Document Unique ID: 00
Drafter: ARA/EP/E:KGUTHRIE
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740127-0569
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740526/aaaaawxn.tel
Line Count: 74
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. QUITO 3177 B. STATE 97737
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 13 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13 SEP 2002 by WorrelSW>; APPROVED <28 FEB 2003 by GarlanWA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: POSSIBLE ECUADOREAN INQUIRY ABOUT CCC CREDIT
TAGS: ETRD, EAGR, EC, US, CCC-1
To: QUITO
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005